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## ADDENDUM NO. 2

**Date: May 11, 2009**

**RFP No. 09-0032**

## Workers' Compensation & Employer's Liability Third Party Administrator (TPA)

This addendum is being issued to make the following clarifications to the bidding document. The information in this addendum modifies and changes the original bidding documents and takes precedence over the original documents. **Respondents shall acknowledge receipt of this addendum by completing the addendum form on page 23 of the solicitation. Failure to acknowledge this addendum may preclude consideration of the bid proposal award.**

1. **Change** the response due date From: May 13, 2009, 3:00 p.m.  
To: May 18, 2009, 3:00 p.m.
2. Attached please find a copy of the current valued loss run report, which includes both workers' compensation and liability claims. Currently there are 7 open litigated Workers' Compensation claims and 24 open litigated Employer's Liability claims. (*Attachment A*)
3. Attached please find the Schedule of Insurance listing the current Broker and Carriers. (*Attachment B*)
4. The following is the total medical claims paid by calendar year for Workers' Compensation claims for the past 3 years.

Workers' Compensation - Total Medical Net Paid by Calendar Year

CY 2006	\$290,098.78
CY 2007	\$425,124.17
CY 2008	\$288,276.89

5. The County prefers a "life of contract" claims pricing schedule instead of a "life of claim pricing," with the life of contract being three (3) years.

As noted above, the County prefers a "life of contract" pricing schedule, however a vendor may choose to submit other pricing structures with the County's sole discretion to reject such pricing structures and/or proposals.

6. The medical invoiced amount versus paid medical for Workers' Compensation from September 2007 through December 2008 is: Total Amount Billed (Invoiced) \$873,653.20 and Amount Paid \$379,013.64.

7. The total number of bills from September 2007 through December 2008 is 779 bills.

8. Attached please find a copy of the County's current contract for Workers' Compensation and Employer's Liability services, including claims adjusting. (*Attachment C*)

9. The County's Experience Mod Rate for the past 3 years is as follows:

Fiscal Year 2006 - 0.89

Fiscal Year 2007 - 0.92

Fiscal Year 2008 - 1.02

10. The County currently has risk control services offered through the current vendor for Workers' Compensation and Employer's Liability Services, per the following subsection of the contract, however not currently.

(x) Assist in the development of a complete Risk Management Program including comprehensive safety and loss prevention programs and claims reporting procedures. The Client may request loss prevention services as frequently as needed.

11. The County does not currently have a Performance Guarantee program in place for the Workers' Compensation and Employer's Liability services.

A. The County is open to suggestions on the Performance Guarantee program, however not open to incorporating a bonus feature to the program.

B. Additional information on Performance Guarantee regarding time frame for notifications on all defined matters (within 2 business days).

a. Notification should be via e-mail, or phone if e-mail is unavailable.

b. The 2 business days will be from the day the claim is received by the claims administrator.

c. All claims are submitted via fax or e-mail. RMIS, internet, etc. are not currently used.

C. Accuracy of monthly reports (by 15th of the following month), is to ensure that reports submitted to the County or other entities are accurate, with the understanding that the information submitted to the vendor is accurate as well.

D. Average response time for returning calls may be elaborated to be within 1 to 4 business hours.

E. All reporting and payments required by the Florida Department of Financial Services on behalf of self-funded plans, shall be accurate and timely, with the understanding that the information submitted to the vendor is accurate as well.

F. The billing invoices and check runs received by the County should be accurate and timely.

G. The vendor shall monitor, prepare and submit to the County an annual report regarding their performance on each item of the agreed upon Performance Guarantee Matrix. In

addition, the County will obtain data related data from the FDFS Centralized Performance System website, internal staff, internal and external claimants.

12. Attached please find the forms necessary to complete the bond requirements identified in Section 1.9, 1.9.1, and 1.9.2. of the RFP.
13. The vendor shall be knowledgeable, or in the process of educating themselves, on the new Medicare Secondary Payer Mandatory Reporting Provision (Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007) requirements for self-insured entities and be able to complete and submit the required reports on behalf of the County.
14. Attached please find the Bond Forms as outlined in Section 1.9. (ATTACHMENT C)